

CITY of BEAVERTON

NEWS RELEASE

The Best of Oregon

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THE ROUND MOVES FORWARD WITH NEW PORTLAND-AREA DEVELOPER

- City tentatively agrees to purchase a "Class A" office building at The Round -

BEAVERTON, Ore. — The city of Beaverton has negotiated and tentatively agreed to purchase the approximately 108,000 square-foot Coldwell Banker Building from LNR, a Miami-based firm, for \$8.65 million.

"By buying this building, we'd be taking control of an expensive Central Plant lease," said Mayor Doyle. "If we do nothing we would have to continue to pay \$400,000 per year for the life of the lease—spending \$13.3 million and in the end having very little to show for it."

The impact of the \$400,000 per year expense to the general fund over the life of the lease is \$13.3 million.

"We are attempting to lift a very dark cloud hanging over Beaverton's head for too many years," said Mayor Denny Doyle. "The Council and I are committed to fixing this black eye, so Beaverton can once again stand proudly on its own two feet when it comes to this area."

The second part of the real estate transaction will amend the current city limitations on the vacant lots and buildings (including the 24 Hour Fitness building, parking garage and bottom floor of the Crescent promenade area) at The Round. Portland-based ScanlanKemperBard (SKB) will acquire nearly all undeveloped lots at the Round for development. The only buildings SKB will not acquire are the residential lofts and the Coldwell Banker Building.

According to Mayor Doyle, the city's attorneys, Community and Economic Development Department and the Finance Department have worked very hard to negotiate a fair agreement with SKB. The agreement has many benefits to the city, including:

- SKB will pay the city in cash (and real estate) the approximately \$990,000 that was still owed the city for public improvements at The Round;
- SKB will improve some of the vacant lots for surface parking, meeting city design standards (until such time as the real estate market makes it feasible to build structures on those lots);

- SKB will donate Lot 3 near the creek to the city (making the Creekside improvements more-feasible);
- SKB will purchase one city-owned lot (Lot 5) at its appraised value;
- SKB will donate a portion of one lot (at the northwest corner of The Round) for use to extend Rose Biggi Avenue to Westgate Drive;
- SKB will pay the city \$250,000 for completion of the public plaza on the south side of the light rail tracks (the other half of the circle used for public performances in front of the loft building);
- The city will keep about \$117,000 already paid by a prior developer for public improvements not yet built; and
- The city will receive an option for exclusive, free use of 220 parking spaces in the parking garage to be used for visitors and tenants of the Coldwell Banker Building.
- It retires all outstanding debt owed the city by prior developers

City Attorney Bill Kirby explained that the concept plan for a mixed use (residential-office-commercial) development that the city originally planned for The Round will stay in effect for another 20 years.

"When the Coldwell Banker Building was in foreclosure, we saw an opportunity to purchase a Class A office building in a fire sale," said Mayor Doyle "We're going to save our citizens millions of dollars over the life of our Central Plant lease. This is truly a win-win."

ABOUT CEDD

CEDD's mission is to help provide a livable and vibrant community for today's citizens as well as for future generations. The Planning Division of CEDD delivers a wide variety of "long-range planning" and "current planning" services to residents, property owners and developers in Beaverton. The Building Division provides building inspection, plan review and structure-related permits. For more information, please visit www.BeavertonOregon.gov. For project information, contact Tyler Ryerson at 503-526-2520.

ABOUT BEAVERTON

Beaverton enjoys one of the most diverse populations among Oregon cities. It was one of just four cities of its size recently recognized as a "Smarter City" energy leader by the Natural Resources Defense Council and one of the 100 Best Places to Live in America by Money magazine. In addition, Beaverton has been named one of the safest cities in the Pacific Northwest for three consecutive years, as one of the best places to raise kids by BusinessWeek magazine, an All-America City finalist, as one of the top 25 Suburbs for Retirement by Forbes.com, one of the 100 Best Walking Cities in America by Prevention magazine, the Recycler of the Year from the Association of Oregon Recyclers, a Tree City USA by the Arbor Day Foundation, a Bronze Award Bicycle Friendly Community designation by the League of American Bicyclists and as one of the Environmental

Protection Agency's **Green Power Communities**. Most recently, the Beaverton Community Vision program was named **Public Involvement Project of the Year—Best Planning Project** by the International Association of Public Participation (IAP2) Cascade Chapter. For more information, please visit www.beavertonoregon.gov.

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